What is your general policy with regard to that?

Mr. MOOT. We are quite alert to that problem, Congressman Horton. We have an interagency group within SBA among which responsibilities it has is to constantly review the reporting requirements placed by the Federal Government on the business community, and particularly with impact on the small business community.

We have run studies. We have made progress.

Generally speaking, we have found that about a little less than 1 percent of the worktime effort of the small business concerns that we work with goes toward reporting requirements, Federal forms, and so forth.

We are making progress. We have not really licked the problem yet. But we are very alert to the subject.

Mr. HORTON. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Administrator. Some time ago you inaugurated a reorganization program within the structure of SBA. Has that been finalized?

Mr. MOOT. Yes, sir.

The CHAIRMAN. Do you want to tell the committee for the record some of the major reorganization changes?

Mr. MOOT. Yes; I will. Associate Administrator Hendricks covers the financial assistance aspects of what we call our team approach in his statement, which was the most significant of our operations, to get a consolidated approach to our financial assistance, including management assistance as a part of it.

Generally speaking, we have completed all of the reorganization that we have in mind.

The only thing that we have done since the last time you looked at this situation of any significance at all is to move the local development company program down one step closer to the operations.

We have put it down, decentralized or it will be as of July 1, down at the regional level, so that the regional directors themselves will be responsible for the operations of the local development company program.

Other than that, we are satisfied that we have a good organization, well organized and with good people, and we think that now is the time to capitalize on our improvements.

The CHAIRMAN. Under the previous system, loan applications had to be initiated on the local level, reviewed at a regional level, and sent to Washington for final approval, but now under the reorganization, loans are made within the region. The decision is made, as I understand it, by the regional office itself.

Mr. MOOT. That is right, sir.

The CHAIRMAN. Is this up to a certain limit or are all loans handled that way?

Mr. MOOT. Well, in terms of our normal, of our regular programs, we are completely decentralized. There are one or two qualifications where we are watching the program development of displaced business loans, for example, where Mr. Hendricks likes to look at the final approval of the larger amounts of loans.

The other programs, except for our small business investment company program, which is still centralized, as you know, because we feel from the Washington level with the individual companies——